



CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY NEWS RELEASE

Department of Toxic Substances Control

T - 18 - 05

For Immediate Release
April 7, 2005

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\$849,500 Settlement Reached with Romic Environmental Technologies

Berkeley --- The California Department of Toxic Substances Control (DTSC) and State Attorney General's Officer today announced an \$849,500 settlement with Romic Environmental Technologies Corporation (Romic) which resolves hazardous waste violations that occurred at two Romic facilities located at 2081 Bay Road in East Palo Alto and at 695 Seaport Boulevard in Redwood City.

"We are pleased with the settlement," said DTSC Director B.B. Blevins. "It provides a stiff penalty for violations revealed during DTSC inspections and establishes detailed procedures for the safe future management of hazardous waste."

A copy of the Civil Complaint and Stipulation for Judgment (Judgment), approved by the San Mateo County Superior Court, as well as the Administrative Consent Order (Order), which resolves three remaining DTSC compliance issues, are available on DTSC's Web site at http://www.dtsc.ca.gov/HazardousWaste/Romic/Romic_ENF_CO.pdf.

The Order specifically requires Romic, at its East Palo Alto facility, to follow certain procedures to resolve the following compliance issues: storage of various waste types in the drum sampling area, intra-plant transfer via tanker truck to authorized storage/treatment tanks onsite, and liquefaction system changes. The procedures are outlined in detailed attachments to the Order.

Romic, owned by a subsidiary of ERP Environmental Services, Inc., has been in operation in East Palo Alto since 1963. The company stores, treats, and recycles hazardous wastes at the East Palo Alto facility including: paint thinner, antifreeze, discarded paints and oils, inks, adhesives, and a variety of solvents. In addition, Romic has operated a rail car transfer and storage facility in Redwood City since 1991 that is used to transfer waste to and from its East Palo Alto facility.

Under terms of the settlement, Romic will pay a total of \$849,500, of which \$526,700 is penalties, \$122,800 is reimbursement of DTSC's administrative costs, and \$200,000 will be used to fund Supplemental Environmental Projects (SEPs). Romic will use \$150,000 of the SEP dollars to fund an insurance policy for \$5.4 million to cover future closure costs for the East Palo Alto facility. This represents an increase of almost \$4million dollars in coverage over the previous closure cost estimate of \$1,568,155.00.

The settlement ensures adequate funding for the Romic facility's closure should the facility stop operating prior to DTSC's decision on Romic's pending hazardous waste permit renewal application, which will undergo public review and comment later in 2005. Without this settlement Romic would not be obligated to fund the increased closure cost estimate until a final decision is made on the facility permit.

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The remaining \$50,000 in SEP dollars will be used for the State Environmental Enforcement and Training Account, which provides a supplemental source of funding for California environmental enforcement and training programs for public prosecutors, peace officers, firefighters, and environmental regulators.

The settlement stems from violations found by DTSC inspectors at the East Palo Alto and Redwood City facilities between 1999 and 2004. Romic operates 50 permitted hazardous waste storage tanks, 55 permitted treatment units, four permitted drum storage buildings, and a regulated drum sampling area on its 14-acre East Palo Alto facility. At the East Palo Alto facility the violations DTSC found included:

- Combining incompatible hazardous wastes resulting in two separate small bin fires in December 1999;
- Storing hazardous waste in unauthorized containers in unauthorized areas in 1999, 2001, 2002, 2003, and 2004;
- Storing incompatible hazardous wastes without separation in 2001 and 2003;
- Treating hazardous waste in unauthorized units in 2001, 2002, and 2003;
- Exceeding capacity of hazardous waste tanks in 1999, 2000, and 2001;
- Modifying facility equipment without prior authorization from DTSC; and
- Failing to comply with DTSC's permit conditions

All violations listed above have been corrected.

At the Redwood City rail transfer facility the violations included:

- Failing to maintain a financial assurance mechanism to cover the cost of possible closure of the facility in 2002;
- Failing to comply with conditions of the rail transfer facility's standardized permit in 2002 and 2004;
- Failing to maintain a secondary containment unit at the rail transfer facility in 2004; and
- Failing to conduct regular inspections at the rail transfer facility's secondary containment unit in 2004

Romic has corrected all violations that occurred at the rail transfer facility in 2002. By entering into the Stipulation and Judgment, Romic has agreed to a schedule of compliance to correct the violations that occurred in 2004.

DTSC issued Romic a California Hazardous Waste Facility Permit in May 1986 to store and treat hazardous waste at its East Palo Alto facility. The company originally operated its rail transfer and storage facility at the Port of Redwood City under a variance from permitting requirements which DTSC granted in April 1991. In January 2002, Romic's rail transfer and storage facility became a DTSC permitted facility.

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The Department of Toxic Substances Control's mission is to restore, protect, and enhance the environment and ensure public health, environmental quality and economic vitality by regulating hazardous waste, conducting and overseeing cleanups, and developing and promoting pollution prevention.